

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6290

Investigation into the establishment of guidelines for)
distributed utility planning by Vermont electric)
distribution utilities)

BILATERAL AGREEMENT BETWEEN THE DEPARTMENT OF PUBLIC SERVICE AND
THE CITY OF BURLINGTON ELECTRIC DEPARTMENT

This bilateral agreement entered into by and between the City of Burlington Electric Department ("BED") and the Vermont Department of Public Service (the "Department" or "DPS") supplements the Distributed Utility Planning ("DUP") Collaborative Phase I Stipulation ("Stipulation") in this docket. Said Stipulation sets forth the agreement of the Department and BED, as well as other parties to the captioned proceedings, with regard to the adoption of Initial Guidelines and the establishment of a Phase II Collaborative. This bilateral agreement incorporates the Stipulation, except for paragraphs 10 and 14 thereof. Terms defined in the Stipulation shall have the same meaning when used herein, except that in this bilateral agreement the term "Parties" shall mean BED and the Department.

BED and the Department supplement the Stipulation with the following agreements:

1. During the term of this Bilateral Agreement, BED shall perform routine repair, maintenance, and replacement projects in the ordinary course of business as necessary for its electric system. When engineering these projects, BED shall identify and implement the least-cost T&D alternative that is expected to meet customer needs and to assure electric system safety, stability and reliability. When performing said engineering, BED will utilize such tools as are necessary to identify the least cost T&D alternatives.
2. During the term of this Bilateral Agreement, BED shall engage in and undertake appropriate steps to implement detailed DUP for its potential large T&D supply problems utilizing the Initial Guidelines. BED represents that the only known study area where DUP may make a difference in the selected strategy to remedy a large T&D supply problem is included on the list which is Attachment A. BED is responsible for monitoring growth and adding to the list any service areas in which developments relating to T&D supply problems warrant applying the Guidelines. The Parties recognize and understand that each of the known study areas is impacted by customer driven projects and requests for service that must be responded to in a timely manner. The specific areas to be studied utilizing the Guidelines during the term of this Bilateral, and the pace of the performance of said studies, will be coordinated by the Parties, with reasonable recognition given to meeting both BED and specific customer planning requirements and providing least-cost service in accordance with the Guidelines.
3. Each time one of BED's 4.16 kV lines or circuits needs replacement in the ordinary course of business, BED represents that it has a standing practice of replacing the facility with a 13.8 kV line or circuit. DPS has reviewed this practice extensively in the past and believes that in these particular situations it is highly unlikely that the need for the 13.8 kV line or circuit can be avoided or deferred through demand-side management ("DSM") or distributed generation ("DG"). Based on this review, DPS agrees that BED may continue this practice without subjecting to DUP analysis any 13.8 kV line or circuit which BED is installing to replace a 4.16 kV line or circuit requiring replacement in the ordinary course of business.

4. This Bilateral Agreement shall remain in full force and effect until May 1, 2001, unless otherwise extended by the Parties.
5. The Parties have made specific compromises to reach the Stipulation and this bilateral agreement. The Parties agree that should the Board fail to approve the Stipulation and this bilateral agreement in their entirety as executed between the Parties, the Parties' agreements set forth herein shall terminate, and the Parties shall have the right to file prefiled testimony on all issues to be considered in this docket and the Parties' agreements in the Stipulation and this bilateral agreement shall not be construed by any party or tribunal as having precedential impact on any testimony or positions which may be advanced in these proceedings.

Dated at Montpelier, Vermont this ____ day of December, 2000.

VERMONT DEPARTMENT OF PUBLIC SERVICE

By _____
Aaron Adler, Special Counsel

Dated at Burlington, Vermont this ____ day of December, 2000.

CITY OF BURLINGTON ELECTRIC DEPARTMENT

By _____
William F. Ellis, Esq.

Attachment

ATTACHMENT A

This document constitutes the list described in paragraph two of the bilateral agreement dated December ___, 2000 between the City of Burlington Electric Department and the Department of Public Service in Docket No. 6290.

115 kV loop project from East Avenue to Queen City via Lake Street